

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF IOWA  
DAVENPORT DIVISION

|   |   |                                       |
|---|---|---------------------------------------|
| THE WATTS FAMILY QUEENS DRIVE                     | ) |                                       |
| RESIDENT TRUST,                                   | ) |                                       |
|   | ) |                                       |
| Plaintiff,  | ) |                                       |
|   | ) |                                       |
| v.  | ) |                                       |
|   | ) |                                       |
| UNITED STATES OF AMERICA, concerning              | ) | Case No. 3:13-cv-00099                |
|   | ) | (Formerly Equity Case No. 123614      |
| Lot 72 in Candlelight Park Second Addition to the | ) | Iowa District Court for Scott County) |
| City of Bettendorf, Scott County, Iowa,           | ) |                                       |
|   | ) |                                       |
| Defendant.  | ) |                                       |

**NOTICE PURSUANT TO LOCAL RULE 81(a)**

Pursuant to S.D. Iowa Local Rule 81(a), the United States of America attaches the following information to its Notice of Removal.

1. Local Rule 81(a)(1): Copies of process, pleadings and orders filed in state-court action *Watts Family Queens Drive Trust v. United States of America* (Equity Case No. 123614).
2. Local Rule 81(a)(2): The following list of matters pending in Iowa state court that will require resolution by this Court.
  - a. Whether the United States possesses an interest in the property legally described in the caption above and located at 1909 Queens Drive, Bettendorf, Iowa (the "Property").
  - b. The United States may raise jurisdictional arguments, counter claims, and allege, among other things, that Plaintiff Watts Family Queens Drive

Resident Trust is an alter ego/nominee of James Watts, a sham trust, and obtained the Property through a fraudulent transfer from James Watts.

3. Local Rule 81(a)(3): The names of counsel and law firms that have appeared in the Iowa state-court action.

- a. Richard A. Davidson  
220 North Main Street., Ste 600  
Davenport, Iowa 52801-1987  
Telephone: (563) 324-3246  
Fax: (563) 324-1616  
E-mail: [rdavidson@l-wlaw.com](mailto:rdavidson@l-wlaw.com)  
*Attorney for Plaintiff*

Dated: September 6, 2013.

s/: Jose A. Olivera  
JOSE A. OLIVERA  
Trial Attorney, Tax Division

IN THE IOWA DISTRICT COURT FOR SCOTT COUNTY

The Watts Family Queens Drive )  
Resident Trust )

Plaintiff, )

vs. )

UNITED STATES OF AMERICA )

Concerning: )

Lot 72 in Candlelight Park Second )

Addition to the City of Bettendorf, )

Scott County, Iowa, )

Defendant. )

Equity No. 123614

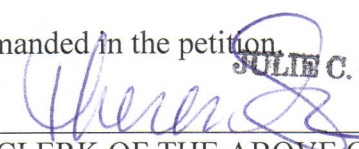
ORIGINAL NOTICE

TO THE ABOVE-NAMED DEFENDANT(S):

You are hereby notified that there is now on file in the office of the clerk of the above court a petition in the above-entitled action, a copy of which petition is attached hereto. The name and address of the plaintiff's attorneys is Richard A. Davidson, Lane & Waterman LLP, 220 North Main Street, Suite 600, Davenport, Iowa 52801.

You are further notified that unless, within twenty (20) days after service of this original notice upon you, you serve, and within a reasonable time thereafter file a motion or answer, in the Iowa District Court for Scott County, at the courthouse in Davenport, Iowa, judgment by default will be rendered against you for the relief demanded in the petition.

(seal)

  
JULIE C. CARLIN  
CLERK OF THE ABOVE COURT  
Scott County Courthouse  
Davenport, Iowa 52801

**Note:** The attorney who is expected to represent the defendant should be promptly advised by defendant of the service of this notice.

If you require the assistance of auxiliary aids or services to participate in court because of a disability, immediately call your district ADA coordinator at 326-8607. (If you are hearing impaired, call Relay Iowa TTY at 1-800-735-2942).

IN THE IOWA DISTRICT COURT FOR SCOTT COUNTY

The Watts Family Queens Drive  
Resident Trust,

Plaintiff,

vs.

**UNITED STATES OF AMERICA**

Concerning:

Lot 72 in Candlelight Park Second Addition to  
the City of Bettendorf, Scott County, Iowa,

Defendant.

Equity No. 123614

**PETITION TO QUIET TITLE**

**FILED**

13 AUG 23 PM 2:57  
CLERK OF DISTRICT COURT  
SCOTT COUNTY, IOWA

COMES NOW, Plaintiff, The Watts Family Queens Drive Resident Trust (the "Trust"), by its attorneys, Lane & Waterman, LLP, and hereby states the following in support of this Petition to Quiet Title pursuant to Iowa Code Chapter 649:

1. Plaintiff is a trust and is duly organized as a trust under the laws of the State of Iowa.
2. Defendant is the United States of America by and through the Internal Revenue Service ("I.R.S.").
3. Plaintiff brings this action pursuant to Iowa Code Chapter 649 and accordingly jurisdiction and venue are proper in this Court.
4. Jurisdiction as to the I.R.S. is proper, and Defendant has waived sovereign immunity under 28 U.S.C. § 2410(a)(1) and may be named a party to this Petition to Quiet Title in this Court.

5. The Trust is the absolute owner in fee simple of the following real property situated in Scott County, Iowa and more particularly described as follows (the "Property"):

Lot 72 in Candlelight Park Second Addition to the City of Bettendorf, Scott County, Iowa

6. The Trust acquired title to the Property by Warranty Deed dated November 13, 2003, filed on November 26, 2003, and recorded as Document No. 2003-61022 in the Office of the Recorder of Scott County, Iowa (attached hereto as Exhibit A).

7. On April 26, 2013, due to unpaid taxes on the Property, the Scott County Treasurer executed a Tax Sale Deed to Cook Funds Fifty-Two, LLC conveying the Property (attached hereto as Exhibit B).

8. However, on May 31, 2013, Cook Funds conveyed the Property back to the Trust by Quit Claim Deed recorded on May 31, 2013 as Document No. 2013-00016953 in the Office of the Recorder of Scott County, Iowa (attached hereto as Exhibit C).

9. Plaintiff is credibly informed and believes that Defendant claims some interest in the Property by virtue of a tax lien against James L. Watts, whose address is 2201 St. Andrews Circle, Bettendorf, Iowa 52722.

10. Defendant filed a Notice of Federal Tax Lien ("Tax Lien") against the Trust dated October 5, 2007, filed October 12, 2007 and recorded as Document No. 2007-00030864 in the Office of the Recorder of Scott County (attached hereto as Exhibit D).

11. The Tax Lien was filed by the St. Paul, Minnesota Revenue Office stating that the Trust is the Transferee, Nominee, and/or Alter Ego of James L. Watts.

12. On October 14, 2011, Defendant filed a Notice of Lis Pendens in the United States District Court for the Southern District of Iowa seeking to foreclose the federal tax lien against the Property (attached hereto as Exhibit E).

13. The Defendant does not have any right, title or interest in or to the Property, or any color of right, title or interest therein.

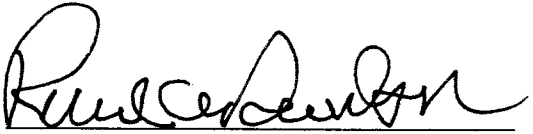
14. The Trust is the absolute and unqualified owner of a one hundred percent (100%) interest in the Property by virtue of the Warranty Deed and Quit Claim Deed.

15. Defendant's claims are wholly without right, but constitute clouds on Plaintiff's title, which Plaintiff desires to remove.

WHEREFORE, Plaintiff requests that the Court:

1. Enter a judgment quieting and confirming title to the Property solely in the Trust.
2. Enter an order that Defendant is forever barred from claiming any interest in the Property.
3. Fix a time and place of hearing upon the Petition.
4. Order such other further equitable relief as the Court may deem just and equitable.

**LANE & WATERMAN LLP**

By: 

Richard A. Davidson  
220 North Main St., Ste 600  
Davenport, Iowa 52801-1987  
Telephone: (563) 324-3246  
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E-mail: [rdavidson@l-wlaw.com](mailto:rdavidson@l-wlaw.com)

**ATTORNEYS FOR PLAINTIFF**

STATE OF Illinois )  
 ) ss.  
COUNTY OF Rock Island )

James A. Watts, being first duly sworn upon oath, do depose and state that I am the Trustee of the of the Plaintiff named in the foregoing Petition; that I am familiar with the business of the Plaintiff; that I have read the above and foregoing Petition and am familiar with the contents thereof and that the statements and allegations contained therein are true and correct to the best of my knowledge.

WATTS FAMILY QUEENS DRIVE  
RESIDENCE TRUST

By: James A. Watts  
James A. Watts, Trustee

Subscribed and sworn to me by James A. Watts as Trustee of Watts Family  
Queens Drive Residence Trust on this 21<sup>st</sup> day of August, 2013.

Robert K. Shorten

Notary Public

(Notarial Seal)

